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MANUFACTURERS HANOVER

Financial Digest

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Analysis of Business Trends Plus Selected Financial Indicators

Manufacturers Hanover Economics Department 17/270

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Srecna Nova Godina

שנה טובה תכתבו

Selamat Tahun Baru

HAPPY NEW YEAR

賀正

Manigong Bagong Taon

Buon Anno Nuovo

สวัสดีปีใหม่

Próspero Año Nuevo

새 해복 많이 받으십시요

恭喜發財新年快樂

كل عام وانتم بخير

Καλή Χρονιά

Fröhliches Neues Jahr

Bonne Année

Gott Nytt Ar

Próspero Ano Novo

Short Term Paper Outstanding
(Millions of Dollars)

Time Deposits $100,000 or more Weekly Reporting Banks	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (11/28/90)	206,001	- 729	- 11,747
New York City (12/5/90)	35,289	+ 472	- 6,452
Commercial Paper (12/5/90)	558,500	+ 6,296	+ 39,270

Bank Loans
(Millions of Dollars)

Commercial and Industrial Loans

Weekly Reporting Large Commercial Banks	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (11/28/90)	316,958	- 1,664	- 328
New York City (12/5/90)	58,378	+ 1,219	- 1,006

Total Loans and Leases Gross Adjusted

	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (11/28/90)	1,018,056	- 1,007	+ 26,958
New York City (12/5/90)	179,008	+ 478	- 4,066

Selected Federal Reserve Data
(Averages of Daily Figures—Billions of Dollars)

	Week Ending 12/12/90	$ Change Since Week Ago	$ Change Since Year Ago
Reserve Bank Credit			
U.S. Gov'ts and Agencies Owned Outright & RPs	248.653	- 2.234	+18.606
Loans to Depository Inst.	.123	- .015	- .009
Float	.491	- .885	- .342
Total Reserve Bank Credit	283.058	- 2.814	+21.348
Treasury Deposits with Federal Reserve Banks	4.148	- 1.503	- .327
Currency in Circulation	281.153	+ 1.298	+25.804
Gov't ts held for Foreign Acct. by F.R. Banks (End-of-Week)	250.491	- 2.082	+16.779
	12/12/90		
Member Bank Reserves:			
Total Reserves Held	60.100	+ .084	- .531
Excess (Deficiency)	.497	- .545	- .262
Net Free Reserves	.392	- .482	- .238

Monetary Aggregates †		‡ % Change Since 3 Months Ago*	Year Ago
M1 (12/3/90)	819.0	+ 2.4	+ 4.1
M2 (12/3/90)	3,311.8	+ 1.4	+ 3.6
M3 (12/3/90)	4,078.1	- 0.5	+ 1.4
Domestic Nonfinancial Debt (2nd Q'90)	10,126.6	+ 6.3	+ 7.6

† Seasonally adjusted. * Seasonally adjusted annual rate. ‡ Four-week moving average.

New York Money Market

Offering Rates 12/14/90	3 Months	6 Months	1 Year
‡ U.S. Treasury Bills	6.85%	6.75%	6.65%
* Federal Agencies	7.30	7.20	7.25
* Municipal Notes–High Grade (34% Taxable Equivalent)	7.95	8.03	8.18
Negotiable Time CDs Manufacturers Hanover	Rates By Arrangement		
* Secondary Market–Prime	7.66	7.50	7.60

‡ Finance Company Paper–Prime		‡* Bankers' Acceptances	
5- 14 days	6.85%	Jan.	7.70%
15- 29 days	7.25	Feb.	7.42
30- 59 days	7.45	Mar.	7.32
60- 89 days	7.25	Apr.	7.25
90-179 days	7.18	May	7.15
180-239 days	6.95	Jun.	7.07
240-270 days	6.95		

‡ Industrial Paper–Prime			
30- 89 days	7.65%	†Federal Funds Effective Rate	7.31%
90-120 days	7.45		

‡ Discount basis. *Subject to availability. † Estimated.

Financial Markets

	Friday 12/14/90	Change Since Week Ago	Change Since Year Ago
U.S. Governments, Closing Yields:			
90-Day Bills†	7.05%	.03	.81
180-Day Bills†	7.07	-0-	.69
Longest Bills†	7.08	.04	.54
Recent Issues:			
7¼s 11/30/92	7.32	+ .02	
7¼s 2/15/96	7.74	+ .07	
8¼s 11/15/00	8.04	+ .01	
8¼s 8/15/20	8.20	+ .01	
Municipals:			
Bond Buyer—20 Bond Index* (12/13/90)	7.05%	- .01	+ .06
Blue List Total ($ Million)	$1,143	- $ 223	- $436
30-Day Visible Supply ($ Million)	$1,464	- $1,171	- $291
Total	$2,607	- $1,394	- $727
Corporates:			
Moody's Aa Composite (12/13/90)	9.32%	- .13	+ .20
30-Day Visible Supply ($ Million)	$ 300	- $ 340	- $850
Stocks:			
Dow-Jones Averages:			
Industrials	2,593.82	+ 3.72	- 145.73
Transportation	903.12	- 6.55	- 267.58
Utilities	208.57	- 1.50	- 27.41
65 Stocks	910.00	- 2.15	- 121.14
N.Y.S.E. Composite Index	178.71	- 0.36	- 14.76
N.Y.S.E. Avg. Daily Vol. for Week (000's)	157,718	- 40,278	- 28,294

*34% Taxable equivalent 10.68%. † Bond equivalent.

International Rates

EURODOLLAR DEPOSIT RATES (bid)	Friday 12/14/90	Week Ago
Overnight	7.25%	7.50%
1 month	8.06	8.13
3 month	7.69	7.75
6 month	7.63	7.69
1 year	7.56	7.69

FOREIGN EXCHANGE SPOT RATES

New York Opening (12/14/90)	Currency Per U.S. $	Week Ago
Belgium	30.61	30.85
Canada	1.1623	1.1622
France	5.0447	5.0220
Germany	1.4835	1.4800
Italy	1119.50	1115.00
Japan	132.70	131.47
Mexico	2942.60	2940.2
Netherlands	1.6730	1.6695
South Korea	702.80	700.83
Switzerland	1.2743	1.2610
Taiwan	26.63	26.72
U.K.*	1.9400	1.9455

*U.S. $ per U.K. pound

MH TRADE-WEIGHTED DOLLAR (12/14/90) (Adjusted for Inflation)	Change Since Week Ago	Change Since 2/27/85
	+1.7%	-12.7%

Selected Business Indicators
(All Dollar Figures in Billions)

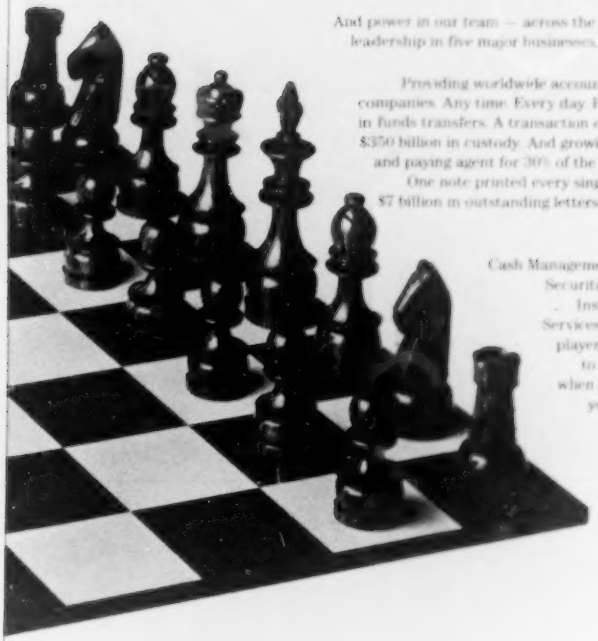
	Latest Period or End of Period		Previous Period	Year Ago Period
Gross National Product (Current Dollars)*	3rd Q'90	$ 5,521	$ 5,443	$ 5,239
Gross National Product (1982 Dollars)*	3rd Q'90	$ 4,173	$ 4,155	$ 4,130
Percent Change, Annual Rate	3rd Q'90	1.7	0.4	1.7
Change in Consumer Prices*	Oct '90	7.2%	9.6%	6.0%
Change in MH Cost of Living Index*	Oct '90	3.6%	4.8%	6.0%
Change in Producer Prices*	Nov '90 n	6.0%	13.2%	1.2%
Civilian Employment (Thousands of Persons) †	Nov '90 n	117,261	117,711	117,836
Unemployment as % of Civilian Labor Force †	Nov '90 n	5.9%	5.7%	5.3%
Personal Income*	Oct '90	$ 4,705	$ 4,699	$ 4,441
Leading Indicators Composite Index (1967=100) †	Oct '90	141.6	143.3	144.4
Industrial Production Index (1977=100) †	Nov '90 n	107.5	109.4r	108.1
Net Change in Consumer Installment Credit †	Oct '90 n	$ 1.47	$ 2.84r	$ 4.43
U.S. Merchandise Trade Balance †	Sep '90	- $ 9.41	- $ 9.73	- $ 8.77
Plant and Equipment Expenditures*	4th Q'90	$ 538.6(a)	$ 532.5(a)	$ 519.6
Private Housing Starts (Thousands of Units)*	Oct '90	1,041	1,107	1,423
New Construction Expenditures*	Oct '90 n	$ 434.4	$ 428.9r	$ 429.3
Total Business Inventories †	Oct '90 n	$ 813.9	$ 810.8r	$ 794.0r
Total Business Sales †	Oct '90 n	$ 551.9	$ 547.2r	$ 526.1r

*Seasonally adjusted annual rate. † Seasonally adjusted. n-Newly reported figure. r-Revised. a-Anticipated.

MANUFACTURERS HANOVER

Leadership

There's Strength In Our Numbers — Across The Board.



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